

Message Text

UNCLASSIFIED

PAGE 01 HALIFA 00244 291335Z

46

ACTION EB-11

INFO OCT-01 EUR-25 ISO-00 INT-08 AID-20 CIAE-00 COME-00

FRB-03 INR-11 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12

SP-03 CIEP-03 LAB-06 SIL-01 OMB-01 EA-11 PRS-01 PA-04

USIA-15 DRC-01 /145 W

----- 095715

R 291309Z AUG 74

FM AMCONSUL HALIFAX

TO SECSTATE WASHDC 849

INFO AMEMBASSY OTTAWA

UNCLAS HALIFAX 244

E.O. 11652: N/A

TAGS: ECRE, CA

SUBJECT: ADDITIONAL INFORMATION ON SYDNEY STEEL
CORPORATION EXPANSION PLANS (SYSCO)

REF: CONGEN TEL 243

1. TELCON WITH LOCAL RADIO COMMENTATOR (PAUL KELLS)
HAS PROVIDED SOME ADDITIONAL INFORMATION TO THAT
CONTAINED IN REFTEL. FEASIBILITY STUDY HAS BEEN GOING
ON FOR ABOUT TWO YEARS BUT ONLY VERY RECENTLY HAS
THERE BEEN GENERAL AGREEMENT BETWEEN FEDERAL AND
NOVA SCOTIA GOVERNMENTS ON DESIRABILITY OF GOING AHEAD
AS STUDIES INDICATE PLANT WOULD BE VIABLE, IF EXPANDED
UNLIKE PRESENT SITUATION IN WHICH PLANT LOSING MONEY.

2. MORE THAN TWO BILLION DOLLAR EXPENDITURE NEEDED.
MONEY WOULD BE PUT INTO PRIMARY STEEL PRODUCTION.
EXISTING PLANT WOULD CONTINUE FINISHING WORK ON AXLES
AND RAILS. U S FIRM ALSO SAID TO BE INTERESTED IN
PARTICIPATION IS U S STEEL ALTHOUGH COMMENTATOR SAID
CALL TO PITTSBURGH DID NOT CONFIRM THIS. NIPPON STEEL
IS SAID TO BE INTERESTED JAPANESE FIRM.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 HALIFA 00244 291335Z

EM DEPARTMENT OF REGIONAL ECONOMIC EXPANSION IS ACTIVE
FEDERAL AGENT AND AT PROVINCIAL LEVEL, PREMIER GERALD
REGAN, HIMSELF, IS PLAYING ACTIVE ROLE.

4. ONE SITE FOR NEW PLANT FACILITIES BEING MENTIONED
IS AT GABARUS 25 MILES SOUTH OF SYDNEY ON THE SOUTHERN
COAST OF CAPE BRETON ISLAND. SITE IS FAVORED BY FEDERAL
GOVERNMENT AS IT HAS EXCELLENT DEEP WATER FACILITIES.
IF SYDNEY ITSELF CHOSEN AS SITE HARBOR FACILITIES
MIGHT BE FAR MORE COSTLY AND FEDERAL GOVERNMENT AND
POSSIBLY PROVINCIAL GOVERNMENT WOULD PROBABLY BE
FINANCING THESE.

5. PRIMARY MARKET FOR EXPANDED PLANT WOULD BE OVERSEAS,
RATHER THAN INTERIOR CANADA, TO TAKE ADVANTAGE OF
PRESENT AND APPARENTLY CONTINUING HIGH DEMAND FOR
STEEL PRODUCTS SUCH AS AXLES AND RAILS.

6. THE OFFICE OF THE PREMIER OF NOVA SCOTIA, GERALD
REGAN, AFTER THE ABOVE INFORMATION HAD BEEN PUBLICIZED
IN PRESS AND RADIO, BRANDED AS "ABSOLUTELY INACCURATE"
REPORTS THAT THE FEDERAL GOVERNMENT IS PLANNING A HUGE
STEEL INDUSTRY FOR CAPE BRETON.
MANBEY

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 29 AUG 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974HALIFA00244
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740239-0784
From: HALIFAX
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t1974088/aaaaagvt.tel
Line Count: 85
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: CONGEN TEL 243
Review Action: RELEASED, APPROVED
Review Authority: kellerpr
Review Comment: n/a
Review Content Flags:
Review Date: 26 JUN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26 JUN 2002 by reddocgw>; APPROVED <05 JUL 2002 by kellerpr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ADDITIONAL INFORMATION ON SYDNEY STEEL CORPORATION EXPANSION PLANS (SYSCO)
TAGS: ECRE, CA
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005